



North Carolina Department of Health and Human Services
Division of Medical Assistance

2501 Mail Service Center • Raleigh, N. C. 27699-2501
Tel 919-855-4100 • Fax 919-733-6608

Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

L. Allen Dobson, Jr., M.D., Assistant Secretary
for Health Policy and Medical Assistance

April 21, 2006

**NOTICE TO NON-PUBLIC HOSPITALS THAT ARE ELIGIBLE TO RECEIVE MEDICAID
ENHANCED PAYMENTS:**

State Plan Amendment TN No. 05-015, approved by CMS on December 15, 2005, Attachment 4.19-A, Page 9, paragraph (e)(1) states:

“The enhanced payment (to eligible hospitals) shall equal a percent, not to exceed the State’s federal financial participation rate in effect for the period for which the payment is being calculated, of the hospital’s inpatient “Medicaid deficit.” At least 10 calendar days in advance of the first payment of the payment plan year, the Division will determine, and notify eligible hospitals of, the percent of the inpatient “Medicaid deficit” to be paid as the enhanced payment for inpatient services.”

State Plan Amendment TN No. 05-015, approved by CMS on December 15, 2005, Attachment 4.19-B, Page 1a, paragraph 2.a.1(1) states:

“The enhanced payment (to eligible hospitals) shall equal a percent, not to exceed the State’s federal financial participation rate in effect for the period for which the payment is being calculated, of the hospital’s outpatient “Medicaid deficit.” At least 10 calendar days in advance of the first payment of the payment plan year, the Division will determine, and notify eligible hospitals of, the percent of the outpatient “Medicaid deficit” to be paid as the enhanced payment for outpatient services.”

The first payments of the FFY2006 Payment Plan year are scheduled for not earlier than April 26, 2006. This notice is posted to advise the percent of inpatient and outpatient “Medicaid deficit” to be paid as the enhanced payment for inpatient and outpatient services is 59.11%.

